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# In the Supreme Court of the United States

OCTOBER TERM, 1944

No. 532

UNITED STATES, PETITIONER

*v.*

DAVID McD. SHEARER

## PETITION FOR A WRIT OF CERTIORARI TO THE COURT OF CLAIMS

The Solicitor General, on behalf of the United States, prays that a writ of certiorari issue to review the judgment entered by the Court of Claims in the above-entitled case under the Special Act of December 17, 1930 (Private, No. 285, 71st Cong.). Since said act provides that "either party may appeal to the Supreme Court of the United States * * * from any judgment in said case" (F. 2, R. 30),[1] an appeal has been taken from the judgment below (No. 424, this term). This peition is filed in the event that the

[1] The findings of the court below rendered after the hearing on validity, infringement, and license are cited as "F."; those rendered on the accounting are cited as "FA." The printed record is cited "R." the unprinted testimony, "Tr."; and unprinted exhibits by exhibit number.

provision for appeal in the Special Act is to be construed as an authorization to file a petition for certiorari. Cf. *United States* v. *Goltra,* 312 U. S. 203; *Colgate* v. *United States,* 280 U. S. 43. The certified transcript of record filed in the appeal includes the portions of the record upon which this petition is based.

## OPINIONS BELOW

The opinion and special findings of fact of the Court of Claims on the issues of validity, infringement and license are reported in 87 C. Cls. 40; the opinion and special findings of fact on the accounting are not yet officially reported.

## JURISDICTION

The judgment of the Court of Claims was entered on May 1, 1944 (R. 93, 94). Time in which to file a petition for writ of certiorari was extended by the Chief Justice for a period of 60 days from August 1, 1944, i. e. to September 30, 1944 (R. 102). The Court of Claims allowed petitioner's motion that the transcript of record and assignments of error on the appeal be accepted as compliance with Rule 99(b) of that court for the purposes of this petition (R. 96, 94).

The jurisdiction of this Court is invoked under the provisions of Section 3 (b) of the Act of February 13, 1925, as amended by the Act of May 22, 1939; and under the Special Act of December 17, 1930 (Private, No. 285, 71st Cong.).

## QUESTIONS PRESENTED

1. (a) Whether the court below erred in denying the Government a license under its employee's invention—one pertaining to a device intimately related to his line of duty and conceived while he was under official orders to recommend improvements in that field, which conception was submitted by him to the Government without claim of any personal rights, and was successfully reduced to practice at Government expense—merely because the employee, without notice to the Government, filed a patent application on his conception before such actual reduction to practice.

(b) A subsidiary question is whether in any event the Government was entitled to a license under that invention in view of the fact that the Government had acquired a license under a second invention made by that employee, which was useful exclusively for producing the device of the first invention and upon which the value of the first invention was entirely dependent.

2. (a) Whether the court erred in apportioning value between the patents for the first and second inventions on the basis of the relative costs of building the first invention and practicing the second, notwithstanding that the value of the first was entirely dependent on the success of the second, and that there was no showing of any relationship between such costs and the savings attributable to the respective inventions.

(b) A related question is whether, in evaluating the patent for the first invention, the court erred in applying the "entire value" rule, and in failing to apportion to the prior art the advantages of features common to said first invention and the prior art, notwithstanding that the court had found said invention not a pioneer one in any sense, and not different from the prior art, when completed, but only more easily put in place than the devices of the prior art.

3. Whether the Court of Claims erred in awarding "as part of just compensation," interest on the amount found due the plaintiff, where the special act under which suit was brought did not provide for interest, and was not the exercise of the power of eminent domain but was merely a consent to be sued for a past infringement.

4. Whether the Court of Claims erred in holding that it involved "invention" to attach known articulated concrete revetments to launching cables to enable them to be launched in deep water, notwithstanding that it was known to secure fascine revetments to such cables to enable them to be launched in deep water.

## STATUTE INVOLVED

The Special Act of December 17, 1930 (Private No. 285, 71st Cong.) is set forth in full in the Appendix, *infra*, pp. 22, 23.

STATEMENT

From 1910 to May 1917, the respondent, David McD. Shearer, was employed by the United States as a junior engineer and chief of a revetment party under the Mississippi River Commission (F. 15, R. 39). While so employed he became thoroughly familiar with the construction and sinking of fascine (willow) mattresses as revetments in flood-control and channel-control projects, and the apparatus used in such work. In the course of his duties he supervised and directed the construction, sinking, and repairs of such willow mattresses and also assisted in making computations, drawings, designs, and specifications for floating plant pertaining to fascine revetments and channel control (F. 15, 16, R. 39, 40). In November 1913, the Commission instructed Shearer, together with all other chiefs of revetment parties, to submit to his superior officer a report on the causes of failure in bank revetments and any suggestions as to changes in construction which would prevent these failures (F. 18, R. 40). In March 1914, pursuant to these instructions, he and the other chiefs submitted reports dealing with failures of both upper bank and subaqueous bank and suggested means of remedying or preventing such faults. Shearer's report suggested a more extensive use of reinforced concrete, particularly for upper bank protection (F. 19, R. 40).

In May 1914, while on annual leave with pay, Shearer requested authorization to carry further his investigation in the use of concrete (F. 20, R. 41; Tr. 757–9), and such authority was granted (F. 21, R. 41). At some later time, Shearer prepared drawings of a concrete revetment structure and a launching apparatus, and a written description thereof, alleging the superiority of these structures to fascines. The description and drawings were all in official form, signed by Shearer in his official capacity, and were submitted by him through official channels to the District Officer on October 6, 1914, while Shearer was again on leave with pay (F. 23, R. 41; P. Ex. 7; Tr. 757–9). On December 19, 1914, Shearer wrote to the District Officer referring to the study which he had made "under authority of the District Officer" into the applicability of concrete and concreting methods to Mississippi river bank revetment; stating that "in this connection a plan for a concrete mat" for subaqueous protection was worked up and "submitted in the usual manner"; and expressing the hope that the mat would be used at an early date [D. Ex. 7]. On December 21, 1914 the District Officer replied that it was impracticable to test Shearer's suggestions that season because of lack of an appropriation, and stated that the question of possible patent infringement was being investigated. [P. Ex. 8]. On December 30, 1914, without informing the District Officer, Shearer applied for a patent

on his concrete revetment conception (F. 1, R. 29).[2]

In April 1915, the District Officer advised Shearer that the Government intended to conduct trials of his proposed revetment, and instructed him to supervise the making of alterations in a brush mat-boat to adapt it to the laying of concrete revetments. Shearer did so until June 28, 1915, when the alterations were nearly completed (F. 24, R. 42). In July 1915, the Commission made attempts to launch and place concrete revetments in accordance with Shearer's proposals. He was present, his expenses of attending being paid by the Government, but he took no part in the actual trials of the structures (F. 27, R. 42).

The tests showed no need for alteration in the revetment itself, but demonstrated serious difficulty in the launching apparatus (R. 64; F. 27, R. 42). At the conclusion of the tests, Shearer prepared a modified design intended to overcome the imperfections in the launching apparatus which he submitted to the Government in August 1915 (F.

[2] This application resulted in patent No. 1173879 granted Feb. 29, 1916.

The drawings and papers submitted by Shearer to the District Officer on October 6, 1914 also included a description of a molding frame designed for casting the revetments there described. Shearer obtained a patent on this structure (letters patent No. 1,173,880), which was originally also in suit. However, Shearer withdrew it after a finding by the Commissioner of lack of invention and before consideration by the Court of Claims (F. 55, R. 55).

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28, R. 43). This design was modified by Government employees and was then constructed at Government expense under Shearer's supervision early in 1916, and tested successfully in July of that year (F. 29, 30, R. 43). He also applied for a patent on this structure in October 1915, and obtained patent No. 1,229,152 on June 5, 1917. In 1917, the Government began to lay concrete revetments on the bed of the Mississippi River, using the launching apparatus as improved (F. 42, R. 48; F. 53, R. 54; 87 C. Cls. 77, R. 60).

Throughout the entire period of the origination and development of both the concrete revetment and the launching apparatus Shearer was in direct charge of the work for the Government except for a short change of assignment and a short interval of leave with pay (87 C. Cls. 77, R. 60). During this period, he lived on the so-called "quarters barge" provided by the Government and was "on call" 24 hours a day (Tr. 389). He did not on his own account or at his own expense construct any of the structures; the entire expense of construction, including materials and labor, was borne by the Government (F. 32, R. 43; 87 C. Cls. 77, R. 60). At no time prior to October 26, 1917, did he claim compensation or notify the Government that he would demand compensation (F. 54, R. 54).

On December 17, 1930, the Special Act under which suit was brought below was approved. The Act waived the statute of limitations and conferred jurisdiction upon the Court of Claims to

hear and determine (1) whether Shearer was the original and sole inventor of the inventions described in his patents and (2) what amount of compensation, if any, he is entitled to receive from the United States for the use of his inventions. In determining whether compensation was due, and if so, in what amount, the court was instructed to take into consideration the fact that Shearer was in the service of the United States while engaged in perfecting the invention; the extent to which the inventions were discovered or developed during his working hours in the Government service; and the extent to which the United States contributed to the expense of perfecting the inventions.

Shearer brought suit under the Act and the United States defended on the ground of invalidity, noninfringement, and a license implied from the employer-employee relationship 87 C. Cls. 81, 82, R. 63).

The Court of Claims held that "Congress intended * * * to refer the case to this Court to be adjudicated as other patent cases under patent law" and "not * * * to waive available governmental defenses, except the statute of limitations and the prohibition of plaintiff's right to sue as expressed in the acts of 1910 and 1918."[8] The

[8] The Act of June 25, 1910 (36 Stat. 851), as amended July 1, 1918 (40 Stat. 705; 35 U. S. C. 68), authorizes suit against the United States in the Court of Claims to recover compensation for unlicensed use by the Government of a patented

Court found that the launching apparatus patent was valid, but that the Government, by contributing to its development, had acquired a license to use it (87 C. Cls. 83, R. 65).

The court found that the revetment patent was valid and infringed and that the Government had obtained no license thereunder because Shearer had filed an application for patent on his conception before the mat was actually reduced to practice by the Government, and because such actual reduction to practice showed no need for changes in the original conception to render the device successful 87 C. Cls. 82, R. 63, 64).

The Court of Claims held that the mat, once launched, was no different from the prior art concrete mats (F. 38–39, R. 46, 47); that the mat invention was not basic or pioneer (87 C. Cls. 82, R. 64; F. A. 8, R. 77), but was limited to the novel feature of connecting the concrete mats to the launching cables whereby their excessive weight was unified to a single multi-block concrete unit, enabling a successful launching of a concrete mattress to be obtained (F. 39, R. 47; 87 C. Cls. 82, R. 64); that the value of the mat patent was limited to this novel accomplishment (87 C. Cls. 82; R. 64); and that the value of Shearer's conceptions was entirely de-

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invention. However, the Act provides that its benefits "shall not inure to any patentee who, when he makes such claim, is in the employment or service of the Government of the United States," and that it shall not "apply to any device discovered or invented by such employee during the time of his employment or service."

pendent upon the efficiency and operativeness of a launching apparatus (87 C. Cls. 77; R. 59). A motion for a new trial was denied (R. 72).

On the accounting, however, the Court of Claims refused to apportion between the limited novelty of the patented invention and the features therein common to the prior art, and instead applied the "entire value" rule in determining the value of the revetment patent (R. 90). To determine this value it first determined the total saving in cost to the Government in building and sinking the concrete revetment as compared to the costs of like operations with fascine revetments (F. A. 13, 14, R. 80).[4] It then increased this total saving figure about 12% for the advantage resulting from the inorganic nature and lack of natural buoyancy of the structure (F. A. 18, 21, R. 82–83), notwithstanding that the concrete mats of the prior art had contributed this advantage and that it was not new with Shearer. Although it had found that the efficiency and operativeness of Shearer's concrete revetment was entirely depended upon the launching apparatus (which the Government was licensed to use), the Court of Claims distributed the total saving from the use of the revetment between the mat patent and the launching apparatus patent according to the relative cost of each operation. On this basis the court attributed 39.6% of the total saving to

[4] Willow mat revetments laid and sunk in the same districts during the accounting period were used as a reasonable standard of comparison (F. A. 12, 13, R. 79–80; R. 90).

use of the launching apparatus patent and the remaining 60.4% to use of the revetment patent (F. A. 7, 14, R. 76, 80). It then awarded plaintiff 20% of the saving attributed to the revetment patent as reasonable compensation for the use of that "limited" and "dependent" invention (F. A. 22, R. 83), rejecting the Government's contention that the court should apportion between the features of the revetment previously old in the art and the improvement contributed by the patentee. Lastly, the court augmented its award by interest at 5% per annum "not as interest but as a part of the just compensation." (F. A. 23, R. 84). The Government's motion for a new trial was denied; Shearer's motion for a new trial was granted in part and denied in part; and the court on May 1, 1944, entered final judgment in the amount of $319,673.16, plus interest thereon at 5% (R. 94).

SPECIFICATION OF ERRORS TO BE URGED

The Court of Claims erred:

(1) In failing to hold that the Government acquired a license or shop-right in the revetment patent (No. 1,173,879) by virtue of the employer-employee relationship between the parties and the circumstances under which the invention was made.

(2) In holding that an implied license to the Government under said patent was precluded by the prior filing of application for that patent, notwithstanding the employment of Government fa-

cilities and personnel in the construction and actual reduction to practice of its subject matter.

(3) In failing to hold that the Government acquired a resulting license in the revetment patent by virtue of its license under the launching apparatus patent (No. 1,229,152), since such apparatus was useful only for producing and laying the concrete mat of the revetment.

(4) In failing to allocate to the patent for the launching apparatus all or a major percentage of the "saving to the Government" from use of both that device and the revetment patent, after having found the value of the latter "entirely dependent" upon the launching apparatus.

(5) In failing to apportion the value of the revetment as a whole between the features thereof known to the prior art and the minor improvement of the Shearer patent thereon.

(6) In applying the "entire value" rule in determining the value of the use of the revetment patent to the Government.

(7) In awarding interest on the compensation found to be due the plaintiff.

(8) In not finding the revetment patent invalid for lack of invention.[5]

REASONS FOR GRANTING THE WRIT

1. In holding the Government not entitled to a license to use the revetment patent, the court below decided an important question of law in a

[5] This is not advanced as a reason for granting the writ, but is intended to be reserved if certiorari is granted.

manner inconsistent, we believe, with sound principles and governing authority.

(a) It is well settled that where one employed in a certain line of work devises an improved method or instrument for doing that work, uses the employer's property and the services of other employees to develop his invention and put it into practicable form, and assents to its use by the employer, the employer acquires an irrevocable license to use such invention. *McClurg* v. *Kingsland,* 1 How. 202; *Solomons* v. *United States,* 137 U. S. 342; *Lane & Bodley Co.* v. *Locke,* 150 U. S. 193. And where the employee is instructed, in his line of duty, to develop a particular improvement, the title to the ensuing invention belongs to the employer. See *United States* v. *Dubilier Condenser Corp.,* 289 U. S. 178, 188.

The instant case falls plainly within at least the first category. At the time the revetment structure was conceived and developed, Shearer had been acting, as a Government employee, under definite instructions from his superiors to investigate revetment failures and to make suggestions as to their possible improvement (F. 18, R. 40). In so doing, he became interested in the use of concrete for bank protection, officially suggested such use to his superiors, and upon approval of his own request for authority to proceed, carried out further investigations into its use (F. 20, 21, R. 41). During this time Shearer was Chief of Revetment Party and, as such, was on call 24 hours a day (Tr. 389–390).

The drawings and descriptions of the concrete revetment structure and apparatus were drawn up by Shearer in the usual official form on Government paper, signed by him in his official capacity, and submitted through official channels to his superiors having control of new experimental work.[6] During the entire period required to develop the utility of his conceptions, except when on vacation with pay or change of assignment, Shearer was in direct charge of the Government's revetment work, and obviously acted in the direct line of his regularly assigned duties (87 C. Cls. 77; R. 60). None of the structures was ever constructed by Shearer on his own account or at his own expense; the entire expenses were borne by the Government. Throughout this entire period Shearer urged the use of his structure upon the Government (D. Ex. 7; R. 64), and was fully cognizant that the Government proposed to use any found useful; yet at no time prior to October 26, 1917, did he claim compensation (F. 54, R. 55).

The Court of Claims held that these circumstances were outweighed and the United States prevented from obtaining an implied license by the facts that the revetment conception was em-

[6] Whether Shearer was or was not on leave during preparation of these papers does not appear clearly; their content indicates he was not. (See P. Ex. 7). He was on leave with pay, however, at the time they were forwarded to the District Officer. (F. 23, R. 41; Tr. 757–759.) See also footnote 7, p. 17, *infra*.

bodied in an application for a patent at the time it was subjected to tests, and that the actual building and testing by the Government showed no need of substantial change in the structure (R. 64). This is contrary not only to the ruling cases on shop rights, which attach no significance to this time factor, but also to decisions holding the employer entitled to a shop right although the employee had applied for a patent before the expenditures by the employer were made. *Elzwilaw Co.* v. *Knoxville Glove Co.*, 22 F. (2d) 962 (C. C. A. 7); *Moffett* v. *Fiske*, 51 F. (2d) 868 (App. D. C.); *Schmidt* v. *Central Foundry Co.*, 218 Fed. 466 (D. N. J.); *Wilkens* v. *Spafford*, Fed. Case No. 17,659 (C. Ct. Dist. Mass.); see *Ford Motor Co.* v. *K. W. Ignition Co.*, 278 Fed. 373, 377 (C. C. A. 7); cf. *Anderson* v. *Eiler*, 50 Fed. 775 (C. C. A. 3). Moreover, the court's basis for decision overlooks the fact that the implied license is founded upon the equitable principle that the employer is entitled to continue a use started with the consent of the employee, who stood by without protest while the employer made expenditures and used the invention. *McClurg* v. *Kingsland*, 1 How. 202; *Gill* v. *United States*, 160 U. S. 426; *Lane & Bodley Co.* v. *Locke*, 150 U. S. 193; *United States* v. *Dubilier Condenser Corp.*, 289 U. S. 178, 185–186, 188–189, and Mr. Justice Stone, dissenting, id. 214; *Barber* v. *National Carbon Co.*, 129 Fed. 370 (C. C. A. 6). To hold, as did the court below, that mere constructive

completion of Shearer's invention outside regular working hours prevented an implied license in the Government not only violates settled rules (see *Moore* v. *United States*, 249 U. S. 487; *Gill* v. *United States*, 160 U. S. 426; *Wiegand* v. *Dover Mfg. Co.*, 292 Fed. 255, 261 (D. Ct., N. D. Ohio, E. D.)), but provides an easy avenue for avoiding an implied license. No matter how intimately connected the invention may be to the employee's duties, he need merely take a few days' annual leave to formulate his ideas and prepare and file an application for a patent.[7]

(b) An independent basis for the Government's license is the rule that a license acquired under one patent carries with it an implied or "resulting" license under any other patent of the licensor to do what is necessary to enable the licensee to enjoy the benefits of the license under the first patent. See *Frederick B. Stevens, Inc.* v. *Steel and Tubes, Inc.*, 114 F. (2d) 815 (C. C. A. 6); *Victory Bottle Capping Machine Co.* v. *O. and J. Machine Co.*, 280 Fed. 753 (C. C. A. 1). The court below erred in holding these principles inapplicable here. The Court found that the Gov-

[7] Whether the drawings and description (P. Ex. 7) or even the later patent application were prepared while Shearer was on vacation or outside his working hours is immaterial. Leave with pay is for the Government's benefit, to rest and refresh its employees for further work. See *Butler* v. *United States*, No. 45173, U. S. Crt. of Claims, decided May 1, 1944. Hence, conceptions in line of duty voluntarily worked out during leave with pay should be treated no differently than those worked out during working hours.

ernment had acquired a license to use the launching apparatus (87 C. Cls. 83; R. 65); and that "the value of plaintiff's conceptions was entirely dependent upon the efficiency and operativeness of a launching apparatus" (87 C. Cls. 77; R. 59). Conversely, the launching apparatus was designed and is useful solely for the assemblage and launching of the concrete revetments shown in the revetment patent. Yet the court below ruled that because the license was implied rather than express and was acquired by the Government under its employer status rather than by purchase, no resulting license was acquired under the revetment patent.

The unfairness of this ruling is exemplified by its application to private parties in the same relationship. Under the decision below, the employer, held entitled to use the launching apparatus, could nevertheless be prevented from enjoying his license if the employee refused to license use of the revetment patent. While injunction against the sovereign is not available in comparable circumstances, there is no ground for denying to the sovereign as employer the same property rights in the employees' inventions as would be accorded between private parties in the same circumstances.

2. In awarding compensation, the court failed to apportion properly (a) between the revetment and the launching apparatus and (b) between the new features of the revetment and the features thereof known to the prior art.

(a) The court found the usefulness and value of the revetment device to be wholly dependent upon the launching apparatus. While allocation to the revetment device of some part of the total savings to the Government from the use of both devices would not be precluded by such a finding, the court selected the illogical and arbitrary basis of allocating the savings, not according to the relative utility or savings effected by the two conceptions, but according to the relative costs of the construction of the revetments and of their launching. But the relative cost of practicing the two inventions bears no reasonable relationship to the relative savings effected by them. On the "cost" basis, if the launching apparatus had been more expensive to operate and had thus effected *less* savings to the Government, it would have been credited with a *greater* share of the total savings. Moreover, since the revetment itself was no better than those of the prior art, the patent for it would have been valueless in the absence of the Government's development of a launching apparatus giving it augmented utility. But the "cost" basis of accounting takes no cognizance of this.

(b) The court refused to apportion the value of the revetment patent as a whole between the features therein newly contributed by the patentee and the features therein known to the prior art. The prior art had disclosed the use of reinforced concrete blocks for revetment purposes, and also the idea of flexibly joining together a multiplicity

of such blocks spaced apart. Such reinforced concrete revetments were usable, and the Government had in fact used them on the banks or in shallow waters (F. 38, R. 46; F. A. 8, R. 77). Hence, Shearer's invention involved nothing new in revetment construction; it merely facilitated the placing of known concrete revetments in deep water, adapting them to a launching method requiring development of the launching apparatus to render it of value.[8] For this "limited contribution" (87 C. Cls. 82, R. 62–64) the court awarded 20% of the value of the saving to the Government attributed (on a cost basis) to the use of concrete in lieu of fascines in revetments. No allocation to features common to the prior art was made.

Such an award is clearly violative of the principle that compensation should be limited to the improvement contributed by plaintiff and should not include features contributed by others. See *Dowagiac Mfg. Co.* v. *Minnesota Moline Plow Co.*, 235 U. S. 641; *Westinghouse Co.* v. *Wagner Mfg. Co.*, 225 U. S. 604, 615; *Sheldon* v. *Metro-Goldwyn Pictures Corp.*, 309 U. S. 390; *Marconi Wireless Telegraph Co. of America* v. *United States*, 320 U. S. 1, 50; *Egry Register Co.* v. *Standard Register Co.*, 23 F. (2d) 438 (C. C. A. 6).

[8] Shearer's contribution, as found below, was "the novel method of connecting concrete mats to launching cables whereby a new and novel result is obtained of unifying the excessive weight of the same to a single concrete unit enabling a successful launching of a concrete mattress to be obtained" (87 C. Cls. 82, R. 64).

3. The Court of Claims awarded interest of 5% on the amount of the recovery, "not as interest but as part of just compensation" pursuant to the court's practice in eminent domain cases. The present case, however, did not arise under an eminent domain statute such as the Act of 1910 as amended (*supra* p. 9, note 3). Cf. *Waite* v. *United States,* 282 U. S. 508. The 1910 Act being inapplicable, the Government's use of Shearer's patents was a tortious infringement for which it had not consented to be sued until the special act waived the immunity and gave the court jurisdiction to hear the claim. This Court has held that in similar circumstances an award of interest is unjustified in the absence of a clear intention of Congress to ratify the originally tortious taking as a taking under eminent domain, and that the mere use of the words "just compensation" in such a special act does not indicate such intention. *United States* v. *Goltra,* 312 U. S. 203. Here, as in the *Goltra* case, the special act was "drawn to rectify what Congress felt might be a wrong," and not to exercise its power of eminent domain.

## CONCLUSION

For the reasons above set forth, it is respectfully submitted that this petition for a writ of certiorari should be granted.

CHARLES FAHY,
*Solicitor General.*

SEPTEMBER 1944.

# APPENDIX

[PRIVATE, No. 285—71ST CONGRESS]
[H. R. 1825]
An Act For the relief of David McD. Shearer

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the claim of David McD. Shearer for compensation for the use by the Government of the United States of certain inventions relating to reinforced-concrete revetment and construction and laying of same, made by said David McD. Shearer, and for which letters patent of the United States, numbered 1173879, 1173880, and 1229152 were issued to him, be, and the same is hereby, referred to the Court of Claims, which court is hereby vested with jurisdiction in the premises, and whose duty it shall be to hear and determine any statute limiting the time within which such an action may be brought to the contrary notwithstanding, first, whether the said David McD. Shearer was the first, original, and sole inventor of the inventions described in said letters patent or any of them; and if said court shall find that he was such first, original, and sole inventor of any of the same, then to determine, second, what amount of compensation, if any, he is justly entitled to receive from the United States for the use of his said inventions or any of them, since the date of said letters patent, up to the time of adjudication. In determining

whether or not said David McD. Shearer is entitled to compensation and the amount of compensation, if any, for the use of said inventions the court shall take into consideration, if and so far as the facts may warrant, the facts, if proved, that while said David McD. Shearer was engaged in perfecting the invention he was in the service of the United States as a junior engineer superintendent in charge of willow bank revetment construction under the Mississippi River Commission, and whether and, if at all, to what extent said inventions or any of them were discovered or developed during the working hours of his Government service, and to what extent his said inventions for protection of river channels and banks differ from the methods previously used, in material, method of laying, permanency, and value, and, whether if at all to what extent the expense of making experiments, trials, and tests for the purpose of perfecting said inventions was paid by the United States, and if any such expense was incurred by the United States, whether and, if at all, to what extent the United States received compensation for such expense.

Either party may appeal to the Supreme Court of the United States upon any such question where appeals now lie in other cases, arising during the progress of the hearing of said claim, and from any judgment in said case, at any time within ninety days after the rendition thereof; and any judgment rendered in favor of the claimant shall be paid in the same manner as other judgments of said Court of Claims.

Approved, December 17, 1930.

U. S. GOVERNMENT PRINTING OFFICE: 1944

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CLERK

IN THE

# Supreme Court of the United States

October Term, 1944

No. 532

THE UNITED STATES,

*Petitioner,*

v.

DAVID McD. SHEARER,

*Respondent.*

On Petition for Writ of Certiorari

## MEMORANDUM FOR RESPONDENT OPPOSING PETITIONER'S MOTION TO USE PRINTED RECORD ON APPEAL FOR PURPOSE OF RULE 41

CLARENCE B. DES JARDINS,
*Counsel for Respondent.*

Cincinnati, Ohio,
October 16, 1944.

THE JOHNSON & HARDIN CO., LAW PRINTERS
CINCINNATI, OHIO

IN THE

# Supreme Court of the United States

October Term, 1944

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**No. 532**

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THE UNITED STATES,

*Petitioner,*

v.

DAVID McD. SHEARER,

*Respondent.*

---

On Petition for Writ of Certiorari

---

## MEMORANDUM FOR RESPONDENT OPPOSING PETITIONER'S MOTION TO USE PRINTED RECORD ON APPEAL FOR PURPOSE OF RULE 41

---

Counsel for respondent respectfully opposes petitioner's motion to use printed record on appeal for purpose of Rule 41, filed on September 30, 1944, for the following reasons:

I. No printed record in connection with the appeal in this case (No. 424, this term) has been served on counsel for respondent, but it is understood, as the result of inquiries made at the Clerk's office, that a record is being printed in connection with said appeal.

II. The stipulation, in the appeal, No. 424, as to the printing of the record to be done prior to consideration of the issues raised by the jurisdictional statements, provides that it be limited to the body of the record transmitted from the court below, including the appeal papers, but excluding the 18 volumes of testimony and exhibits embodied in the transcript. Thus, such record, if and when printed, will not include any of the testimony or exhibits supporting the findings of fact of the Court of Claims.

III. If the petition for writ of certiorari herein is limited to the question of the sufficiency of the findings of fact to support the judgment entered below, in other words, if it is such a petition as would have been proper under the Act of February 13, 1925, c. 229, § 3, 43 Stat. 939 (28 U. S. C. 288), before its amendment by the Act of May 22, 1939, c. 140, 53 Stat. 752, the abbreviated record suggested by this motion would be proper, but respondent has not been served with a copy of the petition for writ of certiorari herein and has no way of telling whether it is so limited. The indications are that it is not.

IV. If the petition for writ of certiorari herein seeks to have this Court review the question of lack of substantial evidence to sustain a finding of fact by the court below, whether an ultimate finding or findings are not sustained by the findings of evidentiary or primary facts, or whether there is a failure to make any finding of fact on a material issue, it is submitted that the pertinent evidence and exhibits should constitute a part of the printed record to be available for consideration by this Court in determining whether the writ of certiorari should be granted or denied. The course suggested by counsel for petitioner, in the motion, that is for each party to print, as an appendix to its brief, the testimony and exhibits pertinent to the questions raised by the petition, would impose upon respondent a

considerable printing cost, which he should not be called upon to pay.

V. The petitioner had an opportunity to reduce the amount of testimony and exhibits to be printed by proceeding under Rule 99(a) of the Rules of the Court of Claims of the United States. It did not see fit to do so, but requested a transcript, on the appeal, "to include all parts of the testimony filed in the cause and all exhibits save those which may be eliminated by agreement of counsel, or by order of the court on motion of appellant." A substantial number of exhibits were subsequently eliminated from the transcript by agreement of counsel.

Respectfully submitted,

CLARENCE B. DES JARDINS,
*Counsel for Respondent.*

Cincinnati, Ohio,
October 16, 1944.

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CHARLES ELMORE CROPLEY
CLERK

IN THE

# Supreme Court of the United States

October Term, 1944

No. 532

THE UNITED STATES, *Petitioner*

v.

DAVID McD. SHEARER, *Respondent*

## BRIEF OPPOSING PETITION FOR WRIT OF CERTIORARI

CLARENCE B. DES JARDINS,
*Counsel for Respondent.*

Cincinnati, Ohio,
November 4, 1944.

THE JOHNSON & HARDIN CO., LAW PRINTERS
CINCINNATI, OHIO

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IN THE

# Supreme Court of the United States

October Term, 1944

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**No. 532**

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THE UNITED STATES, *Petitioner*

v.

DAVID McD. SHEARER, *Respondent*

---

## BRIEF OPPOSING PETITION FOR WRIT OF CERTIORARI

---

Respondent opposes the grant of the writ of certiorari on this petition for the following reasons:

1. This Court is without jurisdiction to grant the writ since the petition was not filed within the time provided by law.

2. The petition merely seeks a review by this Court of the findings of fact by the Court of Claims.

3. There has been no conflict of decisions as to the validity of Shearer patent, No. 1,173,879, on which the judgment be-

low was based, and that patent expired over eleven years ago.

4. The court below did not decide any question of law in a manner inconsistent with sound principles or governing authority.

## OPINIONS BELOW

The opinion and special findings of fact of the Court of Claims on the issues of validity, infringement and license (R. 29-72)[1] are reported at 87 C. Cls. 40; the opinion and special findings of fact on the accounting (R. 72-94) are not yet officially reported.

## JURISDICTION

Petitioner invokes the jurisdiction of this Court under the provisions of the Special Act of December 17, 1930 (Private, No. 285, 71st Cong.) and Section 3(b) of the Act of February 13, 1925, as amended by the Act of May 22, 1939 (28 U. S. Code 288). The Special Act of December 17, 1930, (F. 2, R. 29, 30) provided that either party might appeal to this Court "upon any such question where appeals now lie in other cases, arising during the progress of the hearing of said claim, and from any judgment in said case, at any time within ninety days after the rendition thereof; . . ." In *Colgate* v. *United States*, 280 U. S. 43, this Court held that such language, in a special act, meant that either party might file a petition for writ of certiorari within ninety days of the rendition of the judgment. In the present case, the judgment was rendered on May 1, 1944 (R. 94) and the period of ninety days, specified in the Special Act, expired on July 30, 1944. Said Special Act contained no provision for any extension of the period for appeal or petition for writ

[1] The findings of the court below rendered after the hearing on validity, infringement and license are cited as "F"; those rendered on the accounting are cited as "FA." The printed record is cited "R"; the unprinted testimony "TR"; and unprinted exhibits by exhibit number.

of certiorari. The extension from August 1, 1944, to September 30, 1944, appears to have been granted by the Chief Justice (R. 102) under the provisions of Section 8, c. 229, of the Act of February 13, 1925 (28 U. S. Code 350), which does not authorize the extension of the ninety day appeal period fixed, in this case, by the Special Act of December 17, 1930. Moreover, the power of extension given by the Act of February 13, 1925, is limited to an extension of sixty days, and a sixty days extension of the ninety day period, specified in the Special Act, would expire September 28, 1944. This petition was not filed until September 30, 1944. Respondent respectfully submits that this Court is without jurisdiction to grant the writ of certiorari, on the present petition, since it was not filed in time.

## STATEMENT OF THE CASE

Respondent was employed by the United States, under the Mississippi River Commission, from 1910 until May, 1917, when he left this employment to become a candidate for a commission in the United States Army (F. 15, R. 39). He received that commission and continued to serve as an officer in the Engineer Corps of the United States Army, until long after the present suit was brought (R. 55). At the time of Shearer's employment by the Mississippi River Commission, the subaqueous banks of the Mississippi River were protected by so-called willow mattresses (F. 11, R. 38). These were constructed by weaving together bundles of willow brush to form a raft, which was floated on the river to position over the portion of the subaqueous bank to be protected and, then, sunk by dumping stone or other ballast thereon. Respondent, Shearer, served as chief of a revetment party and, as such, had charge of the building and sinking of willow fascine mattresses by his party (F. 15, 16, R. 39, 40). While so engaged, Shearer be-

came convinced that there were serious disadvantages attending the use of willow brush for the construction of mattresses to protect the subaqueous banks and suggested to his superior the advisability of study to develop a concrete mattress that would serve the same purpose more satisfactorily (R. 57). He was not ordered or encouraged to do so and, therefore, proceeded to study the matter, in his spare time, when not engaged in official duties. As the result of this study, respondent, outside his working hours and at his own expense, conceived and developed three related inventions, which are set forth in and covered by the three patents in suit. One of these inventions was a new form of articulated concrete mattress or revetment, which would protect the subaqueous bank more satisfactorily than the willow mattress, and could be constructed and laid in place, that is to say, was capable of being launched, even in strong currents and deep water, in an inexpensive, relatively quick and completely reliable manner. This invention is covered by Shearer patent, No. 1,173,879 (R. 8-15). The second invention was of a launching apparatus for the purpose of constructing and launching the patented articulated concrete revetments. This launching boat or apparatus was covered by his patent, No. 1,229,152 (R. 16-28). The third invention was of a particular form of mold for use in casting the concrete sections, which were to be united to form the articulated concrete mats. This was covered by his patent, No. 1,173,880 (R. 103).

Having made these several inventions, and worked out the details thereof to the finished state shown in his several patents in suit, respondent submitted them to his superior officer, Mr. Hider (F. 23, R. 41). They were submitted under an understanding with Mr. Hider that, if adopted by the Government, an arrangement would be made to compensate Shearer for the use thereof. From the very outset,

it was understood that Shearer expected to be compensated for the use of his inventions by the Government. At Mr. Hider's suggestion, respondent prepared drawings showing a modification of his ideas as to the launching boat, which was particularly adapted for use, with a minimum of expense, by converting one of the standard willow mat boats. These drawings and the specifications attached thereto were formally submitted, through Mr. Hider, on October 6, 1914 (F. 23, R. 41; Pl. Ex. 7). On December 30, 1914, Shearer filed the application for his revetment patent, No. 1,173,879 (R. 11). Sometime thereafter, Shearer was assigned by Major Slattery, who was in charge of the Engineer District, to the duty of supervising the changing over of one of the willow mat boats, for the purpose of conducting a test of the apparatus submitted on October 6, 1914 (F. 24, R. 42). Before these preparations had been completed, Shearer was assigned to other duties and the work of supervising the completion of alterations to the mat boat was assigned by Major Slattery to A. J. Rife, who subsequently completed these preparations (F. 25, R. 42). This altered brush mat boat was tested during July, 1915, by laying the patented concrete revetment therewith at Greenville, Mississippi (F. 27, R. 42). This Greenville test demonstrated the practicability of the Shearer inventions, although difficulties were encountered, due to the modification of Shearer's original ideas as to the launching apparatus. Thereafter, plaintiff was assigned the official duty of preparing drawings of an apparatus for launching concrete revetment, which embodied his full conception (F. 28, R. 43), and, thereupon, he copied his original drawings, made prior to October 6, 1914, and from these drawings had constructed an apparatus, which was tested successfully at Delta Point in July, 1916 (F. 29, 30, R. 43). On October 6, 1915, Shearer filed the

application for his launching apparatus patent, No. 1,229,152 (R. 21). In the spring of 1916, respondent prepared drawings, copied from his original drawings, for a concrete mat launching barge known as Mat Boat 1608, which was completed and used, early in 1917, in placing articulated concrete revetment, such as was covered by patent, No. 1,173,879, at Vicksburg, Mississippi, and Red Fork, Arkansas, under Shearer's supervision and direction (F. 31, R. 43).

Respondent's patents on the revetment and the mold, Nos. 1,173,879 and 1,173,880 (R. 8-15, 103), were issued on February 29, 1916, and his patent, No. 1,229,152 (R. 16-28), on the launching boat, was issued on June 5, 1917. As soon as these patents issued, respondent called them to the attention of his superior officer. The matter of awarding compensation to Shearer, for the use of his inventions, was up for consideration at least as early as January 20, 1917, which was before there was any substantial use of the inventions by petitioner (Pl. Ex. 15). On October 27, 1917, respondent made formal application to the Mississippi River Commission for the allowance of a royalty of 10% of the cost of construction of the revetment, as compensation for the use of his patented inventions.[3] This request was refused by the Commission, on the ground that the Act of June 25, 1910, prohibited the Commission from paying royalty or compensation for the use of patented devices developed while the patentee was in the pay of the Government (Df. Exs. 84E and 84F).

The Act of June 25, 1910 (35 U. S. Code 68), providing for suit by a patentee in the Court of Claims to recover compensation for the unlicensed use of his patented inven-

[illegible]

[illegible] of the articulated concrete revetment, for which respondent was awarded compensation, was laid after this formal claim for compensation [illegible] 76).

tion by the United States, contained the following provisions:

> "The benefits of the provisions of this section shall not inure to any patentee who, when he makes such claim, is in the employment or service of the Government of the United States, or the assignee of any such patentee. This section shall not apply to any device discovered or invented by such employee during the time of his employment or service."

This Act was not available to Shearer because he was in the employment or service of the Government of the United States, at the time of making his claim, and, also, because the devices, for which he claimed compensation, were discovered or invented by him during the time of his employment by the United States. Being debarred from taking advantage of this Act, for those reasons, respondent procured the passage of a Special Act for his relief, which was approved December 17, 1930, Private Act No. 285, 71st Congress (F. 2, R. 29, 30). That Special Act vested the Court of Claims with jurisdiction "to hear and determine any statute limiting the time within which such an action may be brought to the contrary notwithstanding, first, whether the said David McD. Shearer was the first, original, and sole inventor of the inventions described in said letters patent or any of them; and if said court shall find that he was such first, original, and sole inventor of any of the same, then to determine, second, what amount of compensation, if any, he is justly entitled to receive from the United States for the use of his said inventions or any of them, since the date of said letters patent, up to the time of adjudication." The Court of Claims rightly construed this Special Act as referring Shearer's claim for compensation, for the unlicensed use of his patented inventions, to that court "to be adjudicated as other patent cases are under

patent law" (R. 60). No defenses, available to the Government under the Act of June 25, 1910, were waived "except the statute of limitations and the prohibition of plaintiff's right to sue as expressed in the acts of 1910 and 1918" (R. 61).

The present suit was begun on January 16, 1932. The question of the amount of recovery, if any, having been reserved until after determination by the Court of Claims of the question of liability, that court, on March 7, 1938, filed findings of fact, conclusions of law, and an opinion (R. 29-72), in which it was held that claims 3 and 6 of Shearer patent, No. 1,173,879, were valid and had been infringed by the petitioner, that respondent was entitled to recover compensation for the unlicensed use of the invention covered by such claims, that claim 2 of Shearer patent, No. 1,229,152, was invalid, that claims 6, 8 and 9 of said patent were valid, that petitioner had used apparatus covered by such claims but that respondent was not entitled to recover for such use of the invention of said claims 6, 8 and 9 of patent, No. 1,229,152, because petitioner had an implied non-exclusive license to use the same, that claims 2 and 7 of Shearer patent, No. 1,173,880, were invalid and that plaintiff had withdrawn his claim for damages on account of an alleged infringement of said patent. On March 7, 1938, the Court of Claims entered a judgment dismissing the petition as to patents, Nos. 1,173,880 and 1,229,152, adjudging claims 3 and 6 of patent, No. 1,173,879, to be valid and infringed by the United States and that plaintiff was entitled to recover compensation therefor under the jurisdictional act, and referring the case to a commissioner to take testimony and report upon the question of reasonable and entire compensation (R. 65).

On the accounting, additional evidence was produced before the commissioner, and, on February 7, 1944, the Court

of Claims filed findings of fact, conclusions of law and an opinion, in which it was found that, during the accounting period,[2] the petitioner made and sank 887,981 squares (each square equalling 100 square feet) of articulated concrete revetment, covered by claims 3 and 6 of Shearer patent, No. 1,173,879, at a total cost of $12,524,620.40 (FA. 7, R. 76, 77). It was found, as a fact, that the willow mat revetment constituted a reasonable standard of comparison for evaluating the Shearer inventions, that being the type of revetment most extensively used by the Government during the accounting period and the nearest in cost to the articulated concrete revetment (FA. 12, R. 79). The court below found that a fair and reasonable total monetary value of the benefits derived by the United States from the use of the two Shearer inventions, the articulated concrete revetment (patent No. 1,173,879) and the launching apparatus (patent No. 1,229,152) was $3.00 per square (FA. 13, 14, 20, 21, R. 80, 81, 83). It found that a reasonable allocation of this value between the launching apparatus patent, as to which the Government had an implied license, and the revetment patent, as to which it had no license, was 39.6% to the former and 60.4% to the latter or the sum of $1.81 per square of articulated concrete revetment (FA. 21, R. 83). The court below found, as a fact, that a fair and reasonable figure on which to base compensation to respondent was 20% of the monetary value of $1.81 per square, or thirty-six cents per square (FA. 22, R. 83). Finally, the Court of Claims found, as a fact, that a reasonable compensation to respondent for the use of his invention, patented by claims 3 and 6 of patent No. 1,173,879, was the sum of $319,673.16, plus interest at 5% per annum on specified sums from certain specified dates, such amounts not being added as interest "but as a part of the just compensation" (FA. 23, R. 84).

[2] From February 29, 1916, to the expiration of patent, No. 1,173,879, on February 28, 1933.

Petitioner's motion for a new trial having been overruled, and respondent's motion for a new trial having been overruled, except as to the amendment of the conclusion of law filed February 7, 1944, to change the dates from which interest was calculated, a final judgment was entered on May 1, 1944, awarding respondent $319,673.16, with an additional amount, measured by interest at the rate of 5% per annum on certain specified sums from certain specified dates (R. 94). It is this judgment that petitioner seeks to have reviewed by this Court, on writ of certiorari.

## SUMMARY OF ARGUMENT

Respondent respectfully submits that the petition should be denied for the following reasons:

I. This Court has no jurisdiction to grant the writ of certiorari on the petition herein, since it was not timely, not having been filed within the ninety day period specified in the Special Act of December 17, 1930, or any authorized extension thereof.

II. This Court has no jurisdiction to grant a review of the scope sought by the petition herein, since it calls for a review of the findings of fact, and, at the date of the Special Act, December 17, 1930, review of judgments of the Court of Claims was limited by the Act of February 13, 1925, c. 229, § 3 (28 U. S. Code 288) to questions of law.

III. The ruling of the Court of Claims that petitioner did not have an implied license under Shearer patent, No. 1,173,879, was in accord with the principles established by this Court, and not inconsistent with sound principles and governing authority and, therefore, presents no question of law meriting the grant of certiorari.

IV. The ruling by the Court of Claims that the petitioner's implied, non-exclusive license under claims 6, 8

and 9 of Shearer patent, No. 1,229,152, did not result in a further implied license under Shearer patent, No. 1,173,879, was entirely in accord with the decisions of the Federal Courts and with established principles, and presents no question of law meriting the grant of certiorari.

V. The determination by the Court of Claims that 36 cents per square was a fair and reasonable figure upon which to base compensation to respondent, was a determination of a question of fact. Petitioner has not suggested any lack of substantial evidence to sustain this finding, that it was not sustained by the findings of evidentiary or primary facts, or that there was a failure to make any finding of fact on a material issue. Having properly construed the patent as one for a new combination of elements, the Court of Claims, in determining the basis of just and reasonable compensation, properly followed the rule laid down by this Court in *Hurlbut* v. *Schillinger*, 130 U. S. 456. There is nothing in this phase of the case that merits the grant of certiorari.

VI. In making the finding of fact that the reasonable and just compensation to respondent should include interest on specified amounts from specified dates, the Court of Claims followed the principle established by this Court in *Waite* v. *United States*, 282 U. S. 508. Its action was not inconsistent with *United States* v. *Goltra*, 312 U. S. 203. This ruling presents no question of law meriting the grant of certiorari.

VII. There are no conflicting decisions as to the validity of Shearer patent, No. 1,173,879. The public interest is not affected by the sustaining of the patent, since it expired February 28, 1933. Petitioner does not urge this as a reason for granting the writ, although attempting to re-

serve the right to attack the validity of the patent, if the writ of certiorari should be granted for other reasons. The holding by the court below that claims 3 and 6 of Shearer patent, No. 1,173,879, are valid, presents no reason for granting the writ of certiorari.

## ARGUMENT

### Point I

When Congress, by the Special Act of December 17, 1930, gave the Court of Claims jurisdiction of respondent's claim for compensation, it fixed the limit of appeal at ninety days from the rendition of the judgment, by the following paragraph of the Special Act (R. 30):

> "Either party may appeal to the Supreme Court of the United States upon any such question where appeals now lie in other cases, arising during the progress of the hearing of said claim, and from any judgment in said case, at any time within ninety days after the rendition thereof; and any judgment rendered in favor of the claimant shall be paid in the same manner as other judgments of said Court of Claims."

Since Congress had definitely fixed the limit of appeal at ninety days, the three months provision of the Act of February 13, 1925 (28 U. S. Code 350) is not applicable. Congress must have intended to restrict the limit of appeal in this particular case, since the Special Act was subsequent to the Act of February 13, 1925.

In *Colgate* v. *United States,* 280 U. S. 43, this Court, in construing a similar provision in a Special Act, passed after the Act of February 13, 1925, held that such language "must be construed to require that the review intended was the usual method of review at the date of the Special Act, which is and was by application for a writ of certiorari."

It follows that the Special Act of December 17, 1930, must be construed to require that the method of review intended, in the case at bar, was by petition for writ of certiorari to be filed within ninety days after the rendition of the judgment. Here, the judgment was rendered on May 1, 1944, the ninety days expired on July 30, 1944, and no application for the writ of certiorari was made until September 30, 1944, two months too late.

The only provision for extension of the time for applying for a writ of certiorari is that contained in the first paragraph of Section 8, c. 229 of the Act of February 13, 1925 (28 U. S. Code 350), which paragraph is, as follows:

> "No writ of error, appeal, or writ of certiorari, intended to bring any judgment or decree before the Supreme Court for review shall be allowed or entertained unless application therefor be duly made within three months after the entry of such judgment or decree, excepting that writs of certiorari to the Supreme Court of the Philippine Islands may be granted where application therefor is made within six months. For good cause shown either of such periods for applying for a writ of certiorari may be extended not exceeding sixty days by a justice of the Supreme Court."

This power of extension is specifically limited to the periods, mentioned in the first sentence of the paragraph, for applying for a writ of certiorari. It does not authorize the extension of the ninety day period specified in the subsequently enacted Special Act of December 17, 1930. See *Robertson & Kirkham, Jurisdiction of the Supreme Court of the United States,* Sec. 386, p. 776, note 40. It is respectfully submitted, therefore, that the order of the Chief Justice extending the time, within which a petition for certiorari might be filed, from August 1, 1944, to September 30, 1944, (R. 102) was not authorized by law and is not

effective to extend the ninety day period prescribed in the Special Act to September 30, 1944.

The power of extension given by Section 8, c. 229 of the Act of February 13, 1925, is limited to an extension of sixty days. If this be considered as authorizing the extension of the ninety day period specified by the Special Act, the extension cannot exceed sixty days, which would be from July 30, 1944, to September 28, 1944. The present petition for writ of certiorari was not filed until September 30, 1944, two days late. The fact that the extension granted (R. 102) was specifically stated to be "for a period of sixty (60) days from August 1, 1944, i.e., to September 30, 1944" indicates that counsel for petitioner were under the impression that the time for filing the petition was three months from the date of judgment (May 1, 1944) and not the ninety days specified by the Special Act of December 17, 1930.

The application for writ of certiorari was not made within the period prescribed by the Special Act of December 17, 1930, or any extension thereof authorized by law, and, therefore, this Court is without jurisdiction to review on certiorari the merits of the judgment entered by the court below in this case.

*Rust Land Co.* v. *Jackson,* 250 U. S. 71;

*Toledo Scale Co.* v. *Computing Scale Co.,* 261 U. S. 399.

**Point II**

In *Colgate* v. *United States,* 280 U. S. 43, this Court, construing a provision in a Special Act substantially the same as that contained in the Special Act of December 17, 1930, held that it "must be construed to require that the review intended was the usual method of review at the date of the Special Act, . . ." On December 17, 1930, the date of the Special Act for respondent's benefit, the only method of review of judgments of the Court of Claims was the limited

review provided for by Section 3(b), c. 229, of the Act of February 13, 1925 (28 U. S. Code 288), as it stood before the amendment of May 22, 1939. This review was limited to questions of law arising on the face of the findings. *U. S.* v. *Esnault-Pelterie,* 303 U. S. 26. That is the only sort of review contemplated by the Special Act of December 17, 1930. The present petition, in some respects, seeks a review that is broader than that and asks this Court to review and revise certain findings of fact of the court below. It is respectively submitted that this Court is without jurisdiction, in the case at bar, to grant a review on certiorari such as is made possible, in other cases, by the amendment of May 22, 1939.

**Point III**

Petitioner contends that, in holding the Government not entitled to a license to use the invention of the revetment patent, No. 1,173,879, the court below decided an important question of law in a manner inconsistent with sound principles and governing authority. Respondent does not agree and maintains that the decision below was in full accord with established principles.

This Court has held, in *United States* v. *Dubilier Condenser Corp.,* 289 U. S. 178, and other cases, that, where one is employed to make a specific invention, or being under a general employment is assigned the duty of making a specific invention, the title to such invention, specifically contracted for, belongs to the employer. That principle is not applicable to the present case as there is no finding, and no evidence, that respondent was employed to make any invention, or assigned to the duty of making any invention. Moreover, petitioner has never contended that the circumstances were such that the Government was entitled to an assignment of the Shearer revetment patent.

In *McClurg* v. *Kingsland*, 1 How. 202, this Court held that a license to the employer must be presumed where the invention was conceived and perfected while the patentee was employed by the employer, the experiments resulting in the perfecting of the invention were made at the employer's expense, the employer continued to use the invention without protest after it was perfected, and the application for patent was not filed until after the inventor took other employment with a competitor.

In *Solomons* v. *United States*, 137 U. S. 342, suit was brought in the Court of Claims for infringement of a patent on a self-canceling revenue stamp invented by Clark, while he was in the employ of the Government as Chief of the Bureau of Engraving and Printing. Employees of that bureau, using Government property, put into being Clark's conception. Thereafter, Clark applied for and obtained a patent on it. Moreover, Clark had been assigned the official duty of devising a stamp, and the stamp patented, and used by the Government, was the one devised by Clark in performance of the specific duty officially assigned him. Furthermore, Clark had stated that he would make no charge to the Government "as he was employed on a salary by the government and had used the machinery and other property of the government in the perfection of the stamp." In affirming the judgment against the claimant, this Court held that the mere fact of employment by the Government did not transfer to it any interest in the patent, saying (p. 346):

> "The government has no more power to appropriate a man's property invested in a patent than it has to take his property invested in real estate; nor does the mere fact that an inventor is at the time of his invention in the employ of the government transfer to it any title to, or interest in it. An employé, performing all the

> duties assigned to him in his department of service, may exercise his inventive faculties in any direction he chooses, with the assurance that whatever invention he may thus conceive and perfect is his individual property. There is no difference between the government and any other employer in this respect."

The Court, then, proceeded to state two limitations on this general rule. The first was the case where one is employed to make a specific invention, referred to above in discussing *United States* v. *Dubilier Condenser Corp., supra.* The other limitation was stated, as follows (p. 346):

> "So, also, when one is in the employ of another in a certain line of work, and devises an improved method or instrument for doing that work, and uses the property of his employer and the services of other employés to develop and put in practicable form his invention, and explicitly assents to the use by his employer of such invention, a jury, or a court trying the facts, is warranted in finding that he has so far recognized the obligations of service flowing from his employment and the benefits resulting from his use of the property, and the assistance of the coemployés, of his employer, as to have given to such employer an irrevocable license to use such invention."

In *Lane & Bodley Co.* v. *Locke,* 150 U. S. 193, this Court held that a license to use the patented invention was to be implied in favor of the employer, where the experiments leading to the perfection of the invention were conducted in the employer's shop, involving the use of his tools and patterns (two years before the application for patent) and there had been open and notorious use of the invention by the employer, after the grant of the patent, for eight years without any claim of right by the patentee adverse to the employer.

In *Gill* v. *United States,* 160 U. S. 426, this Court affirmed the judgment of the Court of Claims dismissing Gill's claim,

upon an implied contract, for compensation for the use of certain machines covered by patents owned by him. During the entire period in question, Gill was employed by the Government in a responsible position at Frankford Arsenal and the machines that he patented were machines devised by him and put into use to improve operations at the arsenal. In the case of each of the six patents involved, machines had been constructed at Government expense, and with Government materials, and put into use at the arsenal, before Gill filed his application for patent. Having obtained his patents, he assigned them to others, reserving to the Government the right to use the inventions covered thereby. He remained silent for many years, while the Government continued to use these inventions at the arsenal, but finally brought the suit to recover compensation. This Court sustained the judgment dismissing Gill's claim, because the evidence showed that there was acquiescence by Gill in, or his implied consent to, the use of the patented inventions by the Government. Because of his conduct, he was estopped to maintain the suit.

Referring to the established principle that, where an employee paid by salary or wages, who devises an improved method of doing his work, using the property or labor of his employer to put his invention into practical form, and assenting to the use of such improvement by his employer, takes out a patent upon such invention, he may not recover a royalty or other compensation for its use by the employer, this Court said (page 430):

> "The principle is really an application or outgrowth of the law of estoppel *in pais*, by which a person looking on and assenting to that which he has power to prevent, is held to be precluded ever afterwards from maintaining an action for damages."

On this point, the Court said, further (page 434):

> "In this connection, too, it should be borne in mind that the fact, upon which so much stress has been laid by both sides, that the patentee made use of the property and labor of the government in putting his conceptions into practical shape, is important only as furnishing an item of evidence tending to show that the patentee consented to and encouraged the government in making use of his devices. The ultimate fact to be proved is the estoppel, arising from the consent given by the patentee to the use of his inventions by the government, without demand for compensation. The most conclusive evidence of such consent is an express agreement or license, such as appeared in the *McAleer* case; but it may also be shown by parol testimony, or by conduct on the part of the patentee proving acquiescence on his part in the use of his invention. The fact that he made use of the time and tools of his employer, put at his service for the purpose, raises either an inference that the work was done for the benefit of such employer, or an implication of bad faith on the patentee's part in claiming the fruits of labor which technically he had no right to enlist in his service."

That the decision in this case was bottomed upon Gill's acquiescence in the use of the invention by the Government, is shown by the following statements in the opinion (page 436):

> "The acquiescence of the claimant in this case in the use of his invention by the government is fully shown by the fact that he was in its employ; that the adoption of his inventions by the commanding officer was procured at his suggestion; that the patterns and working drawings were prepared at the cost of the government; that the machines embodying his inventions were also built at the expense of the government; that he never brought his inventions before any agent of the government as the subject of purchase and sale; that he raised no objection to the use of his inventions by

the government; and that the commanding officer never undertook to incur a legal or pecuniary obligation on the part of the government for the use of the inventions or the right to manufacture thereunder. It further appeared that from time to time his wages were advanced from four to six dollars a day, and while it was never stipulated by the commanding officer, or understood by the claimant, that the advance of wages was a consideration for the use of the inventions, the practical ability of the claimant as an inventor, and the value of his inventions to the government, did operate on the minds of the officers in estimating the claimant's services and ordering his advancement.

Clearly, a patentee has no right, either in law or morals, to persuade or encourage officers of the government to adopt his inventions, and look on while they are being made use of year after year without objection or claim for compensation, and then to set up a large demand, upon the ground that the government had impliedly promised to pay for their use. A patentee is bound to deal fairly with the government, and if he has a claim against it, to make such claim known openly and frankly, and not endeavor silently to raise up a demand in his favor by entrapping its officers to make use of his inventions."

The decision below was not contrary to or inconsistent with any principle established by this Court in the *Gill* case. No specimens of the patented revetment were constructed at Government expense, and put into use prior to Shearer's filing of the application for patent. Shearer did not, by his silence, entrap the Government into putting this invention to use.

In *Moore* v. *United States*, 249 U. S. 487, this Court affirmed the judgment of the Court of Claims, dismissing a suit brought under the Act of June 25, 1910, for infringement of a patent on a device discovered or invented by an employee of the Government, during the time of his em-

ployment or service. Clearly, the claimant was barred by the third proviso of the Act of June 25, 1910. There is nothing in the decision of the court below, in the case at bar, that is at all contrary to or inconsistent with this decision. Shearer, also, was prevented from bringing suit because of the third proviso of the Act of June 25, 1910, but this disability was removed by the Special Act of December 17, 1930, under which the present suit was brought.

The refusal to adjudge the existence of an implied license, under the Shearer revetment patent, was not contrary to, or at all inconsistent with, the principles established by the foregoing decisions of this Court. Shearer did not use the property of his employer, and the services of other employees, to develop and put into practicable form his invention. That was developed and put in practicable form when he filed his application for patent, on December 30, 1914. He did not assent to the use of his invention by his employer *without compensation.*

In *Wilkens* v. *Spafford,* Fed. Case No. 17,659, one of the questions involved was whether Wilkens had a license to use certain machines constructed by Spafford during his employment by Wilkens, but patented by Spafford before he entered Wilkens' employ. As to that phase of the case, Judge Shepley said:

> "One or more of these machines were constructed by Spafford during his employment by Wilkens, for him and at his expense. That he should construct such machines for Wilkens was contemplated by both parties at the time of his employment. Wilkens is entitled to a license for the use of such machines so constructed, or whose construction was commenced by Spafford during the term of service."

The decision of the court below, denying petitioner's claim of an implied license under the Shearer revetment patent, is not at all inconsistent with this case.

The refusal of the court below to hold that petitioner had an implied license under the Shearer revetment patent was, in no sense, opposed to, or inconsistent with, the decision of the Circuit Court of Appeals for the Third Circuit in *Anderson* v. *Eiler*, 50 Fed. 775, which is referred to in the petition. In that case, it was held that the circumstances under which the infringing mantels had been constructed showed that the owner of the subsequently obtained design patents on the mantels consented to their manufacture. The court said (page 775):

> "The agent explicitly informed him of their object in the proposed purchase, as the proofs show, and as he admits. He thus sold the mantels with knowledge that the only object in purchasing was to copy and use his design, and did it without objecting to the use contemplated. The inference is therefore, we think, irresistible that he consented to this use. Whether he actually consented or not, however, the circumstances estop his denial. His silence at the time closes his mouth. If he did not mean to consent he should have said so."

The decision of the Circuit Court of Appeals for the Sixth Circuit, in *Barber* v. *National Carbon Co.*, 129 Fed. 370, is another instance, in which the patentee was held to be estopped from enforcing his patent against his former employer, as to certain machines, because his conduct had been such as to lead the employer to believe that the patentee intended the employer to have the right to make and use such machines, without the payment of royalty. In this case, six of the machines charged to infringe were constructed, at the expense of the employer, under the patentee's personal direction and without any announcement of any purpose to claim a royalty for their use. Specially designed buildings were erected, under the patentee's direction, to house these machines, and a seventh ma-

chine to be built and installed in the place provided for it. The court held that the employer had an implied license as to these seven machines, saying (page 375):

> "By his conduct, Barber has estopped himself from asserting that the use of his invention to this extent is an infringement of his right as a patentee."

There is nothing in the decision of the court below that is contrary to, or inconsistent with, this decision. Shearer did nothing to lead the Government to believe that he intended it to have the right to make and use the patented revetment, without compensation.

The decision of the court below was not in conflict with that of District Judge Haight in *Schmidt* v. *Central Foundry Co.*, 218 Fed. 466. In that case, the District Court found the defendant entitled to an implied license because "the experiments and whatever else was necessary to perfect the features covered by the patent was done at the expense of the company, and by its employés, and that whatever the plaintiff did was done in the course of his employment, while he was the operating head of the company, and in receipt of a salary from it." Moreover, the plaintiff made no claim against the defendant company until he had got it started on the use of his invention, and had executed, on behalf of the company, a contract calling for extensive use of the invention. It is to be noted that the Circuit Court of Appeals for the Third Circuit, in *Schmidt* v. *Central Foundry Co.*, 229 Fed. 157, affirmed the decree for defendant on the ground of the invalidity of the patent, without approving, or disapproving, the ruling as to the claimed shop-right.

Petitioner has made reference to the decision of the Circuit Court of Appeals for the Seventh Circuit in *Ford Motor Co.* v. *K. W. Ignition Co.*, 278 Fed. 373, but there is nothing in that case inconsistent with the decision of the

Court of Claims herein. In the case cited, it was held that the owner of the patent in suit was estopped to enforce it against Ford Motor Company, because the patent owner had acquiesced and assisted in the manufacture by Ford under the patent, knowing that Ford required a second source of supply. The court said (p. 377):

> "But, whatever its motive may have been, appellee cannot induce another to act, deal extensively with such other party, sell it a large proportion of material and parts necessary to the production of the completed unit, and then secure damages for the manufacture of such article."

There was nothing in the decision of the court below inconsistent with the decision in *Wiegand* v. *Dover Mfg. Co.*, 292 Fed. 255. In that case, the employer was held to have an implied license and an important factor leading the court to that conclusion was that the entire development and reduction to practice was made at the risk, cost, and expense of the employer. That was not true of the present case.

The decision of the court below was not contrary to, or inconsistent with, the decision of the Circuit Court of Appeals for the Seventh Circuit in *Elzwilaw Co.* v. *Knoxville Glove Co.*, 22 F. (2d) 962. In that case, after the filing of the application for patent, one of the joint inventors became a stockholder and officer of the defendant company and, with its consent and at its expense, conducted numerous experiments in an effort to put the invention of the pending application in practicable form. After the inventor left the defendant company, the experiments were continued, resulting in the device charged to infringe, which differed considerably from the form patented. The court held that defendant had a shop-right, upon the theory that a license was to be implied from the development of the alleged in-

fringement, with the consent of one of the patentees, and at defendant's expense. That is not the case at bar. The revetment charged to infringe is of the form shown in the Shearer revetment patent. It was not developed and put into practicable form at Government expense.

In *Moffett* v. *Fiske,* 51 F. (2d) 868 (App. D. C.), it was held that the Government had an implied license under the Fiske patent for a method and apparatus for launching torpedoes from airships, first, because Admiral Fiske was employed by the Government to devise war plans and means, when he made the invention, and, second, because the apparatus disclosed in his patent was inoperative and impractical and years of experimentation and work, at Government expense, were required to make Fiske's visionary scheme practicable. That decision is not applicable to the case at bar.

It is not established by the findings, or the evidence, that Shearer was employed to invent an articulated concrete revetment, or that he was assigned the duty of inventing such a revetment. He was employed by the Government, from about 1910 until May, 1917, as junior engineer and chief of a revetment party, under the Mississippi River Commission, in which employment he supervised and directed the construction and sinking of about 70 willow fascine mattresses. His duties included, also, assisting in making computations, drawings, designs and specifications for floating plants pertaining to brush revetments and channel control, and various miscellaneous office duties, as well as the repair of damaged mattresses (F. 15, 16, R. 39, 40). On November 25, 1913, Shearer, along with other chiefs of revetment parties, was instructed to submit a report on the causes of failure of bank revetment, together with views as to changes in methods of construction that should be adopted to prevent those failures (F. 18, R. 40). As did the other

chiefs, Shearer treated this instruction as relating to the revetment of the upper bank and submitted his report on February 12, 1914, accordingly (F. 19, R. 40). On May 10, 1914, Shearer, while on leave of absence, wrote to the District Office enclosing certain correspondence relating to concrete pouring equipment and, on May 19, 1914, Major Slattery, then in charge of the district, wrote Shearer and suggested that he "further investigate the cement gun and see if it might not be possible to so modify its design as to permit placing thicker layers, and likewise to permit the use of concrete instead of cement mortar" (F. 20, 21, R. 41). All of this related to the use of concrete in place of riprap, or stone paving, for the upper banks of the river, and not as a substitute for the willow mattresses used to protect the subaqueous banks (F. 22, R. 41). This is all that the record contains, as to Shearer's assigned duties prior to December 30, 1914, the date of filing of his application for the revetment patent, No. 1,173,879. It was plainly insufficient to afford a basis for any holding that Shearer had contracted with the Government to invent an articulated concrete mattress, or that he had been assigned the duty of inventing such a mattress. Obviously, any orders, subsequent to the date Shearer had completed the invention and filed application for patent thereon, assigning him to duties in connection with the testing of the revetment, are not pertinent. If Shearer was employed to invent the mattress, or assigned to that duty, such employment or assignment must have preceded the completion of the invention, and the filing of application for patent thereon.

There is no evidence that any of the work that resulted in putting the articulated concrete revetment in the practical, finished form, in which it appeared in the patent, was carried out at Government expense, or with Government materials. The filing of the application for patent, on De-

cember 30, 1914, was the completion of the Shearer invention. It was a constructive reduction to practice of the invention and, in the eyes of the law, the equivalent of the building and successful testing of a revetment such as is shown in the patent. After Shearer had completed the revetment invention, and had filed his application for patent thereon, the Government conducted, at Government expense, certain tests of the revetment, and the launching apparatus, to determine whether they would be useful in the work of the Mississippi River Commission. The Greenville test was so conducted in July, 1915 (F. 24-27, R. 42). The Delta Point test was conducted in July, 1916 (F. 30, R. 43). Mat-Boat 1608 was built by the Government and used in placing the patented articulated concrete revetment at Vicksburg and Red Fork, under Shearer's supervision and direction, in the early part of 1917. These tests did not result in any changes in the revetment from the form shown in the application for patent, filed on December 30, 1914. As stated by the court below (R. 64), the tests "did not demonstrate a need for any substantial change in mat construction, and as a matter of fact the principle embodied in their construction was then as it is now, and as it was on the date the plaintiff disclosed his conception to the officials of the Mississippi River Commission." Petitioner has not pointed to any authority holding that such tests, conducted after the completion of an invention, to determine its utility and not for the purpose of perfecting or improving it, in and of themselves give rise to an implied license in favor of the party conducting the tests. This would extend the doctrine of implied license far beyond any case previously decided. Such an extension of the doctrine would strike down the few remaining rights of an employee, as an inventor, and would leave him entirely at the mercy of his employer. If the doctrine should be so extended, an

inventor who had completed his invention and filed an application for patent thereon, would not dare to submit it to any manufacturer for consideration, lest the manufacturer should conduct tests to determine the utility of the invention, and thereby acquire an implied license to use it. It is submitted that the Government did not acquire an implied license under the Shearer revetment patent, because of its tests of the revetment, conducted after Shearer had submitted the invention for consideration and had filed his application for patent thereon.

It is not established by the evidence that Shearer induced the Government to adopt and use the patented revetment, in reliance on the belief that he would not claim compensation for such use. On October 26, 1917, respondent made a formal claim for compensation for the use of his invention (F. 54, R. 55). At least 98% of the articulated concrete revetment, for which respondent was awarded compensation by the court below, was manufactured and sunk after this formal claim of compensation (FA. 22, R. 84). In fact, a large amount of this revetment was laid after the Special Act was passed, on December 17, 1930, and a considerable amount was laid after the present suit was brought.

Plaintiff's Ex. 15 is a letter, dated January 20, 1917, from Major Slattery, The District Engineer Officer, Third Mississippi River District, to Shearer. The third paragraph of that letter is as follows:

> "3. Also kindly advise me as to the cost of obtaining such patents as you have obtained on this machine for laying concrete revetments. In view of the fact that it will be contrary to law to allow you a royalty on the patented features of this mat, it is my intention to recommend that you be reimbursed for such outlays as you may have made for patents, and it will be my

> further pleasure, if the machine proves successful in deep water, as I firmly believe it will, to recommend to the Commission your promotion to the grade of Assistant Engineer without examination, and a substantial increase in salary. I have already had this matter up informally with Col. Townsend and am assured of his support, and hope that special consideration can in this case be secured likewise from higher authority."

This letter makes it very clear that, on January 20, 1917, Major Slattery, who was at the head of the Third Mississippi River District, knew that Shearer had obtained patents on this revetment, and, further, knew that Shearer expected to be paid a royalty on the patented features of the mat. This accords with the testimony. Shearer submitted his invention for consideration, formally, on October 6, 1914 (Pl. Ex. 7), through his superior officer, Mr. Arthur Hider. Shearer testified (Tr. 129) that, when he submitted his inventions to the District Officer, through the letter of October 6, 1914, it was his understanding that "in event use was made of these inventions, and in event my patents were granted, that I would be compensated in the sum or amount commensurate with the worth and value of the inventions." This was confirmed by the testimony of W. P. Hider, the son of Arthur Hider, who served as his clerk at the time Shearer submitted these inventions in 1914. When asked how his father received this suggestion of Shearer, he said (Tr. 544):

> "A. Very favorably and told him that he would submit it to the Commission through Major Slattery, and he thought if it was adopted he was entitled to a royalty, and that he would lend him money if he did not have it to patent it."

Thus, from the very outset, it was known to officers and employees of the Mississippi River Commission that

Shearer expected to obtain compensation or a royalty for his inventions, if they were adopted and used by the Government. There was nothing in this conduct that could have led petitioner to believe that Shearer consented to the free use of the inventions by the Government.

There is nothing in the evidence tending to show that the Government adopted and used the patented revetment, relying on the belief that Shearer had acquiesced in or consented to such use. The indications are all to the contrary. In the paragraph from the letter of January 20, 1917 (Pl. Ex. 15), already quoted, Major Slattery said that "it will be contrary to law to allow you a royalty on the patented features of this mat, . . ." In reply to Shearer's formal claim of compensation, the Mississippi River Commission, on December 7, 1917, wrote him the letter, Df. Ex. 84-E, quoting a resolution of the Commission which contains the following sentence:

> "The request for compensation for its use cannot, however, be granted, since the Commission is prohibited, under existing law, from paying a royalty for devices developed by employees while in the pay of the Government, particularly as the material and labor used in the development of the device were paid for by the Government."

The Commission, by its letter dated January 16, 1918, to Shearer (Df. Ex. 84-F), made it clear that the law relied upon was the Act of June 25, 1910, which withheld from a patentee, situated as Shearer was, the right to sue the United States in the Court of Claims for infringement of his patent. Thus, it is clear that, as early as January, 1917, the Mississippi River Commission placed its reliance, not on any acquiescence or consent by Shearer to the use of this invention, but upon the fact that Shearer could not recover compensation under the Act of June 25, 1910, be-

cause he was a Government employee and because the device in question had been discovered or invented during the time of his employment or service. Congress, by the Special Act of December 17, 1930, removed that disability and permitted Shearer to sue to recover compensation for the use throughout the life of his patent. There is no basis for petitioner's contention that Shearer's conduct was such as to lead the Government to believe that he consented to, or acquiesced in, the Government's use of his inventions.

Accordingly, respondent urges that the refusal of the Court of Claims to find that petitioner had an implied license, as to the Shearer revetment patent, was not contrary to, or inconsistent with, sound principles or governing authorities. This action was not inconsistent with any of the decisions referred to in the petition for writ of certiorari. Furthermore, it was entirely consistent with the decision of the Circuit Court of Appeals for the First Circuit in *Heywood-Wakefield Co.* v. *Small*, 87 F. (2d) 716 (certiorari denied, 301 U. S. 698), in which it was held that the employer's tests and experiments, for its own use and benefit, with an invention submitted by its employee, did not give rise to an implied license to use the invention. It is respectfully submitted that the decision of the court below, on the question of implied license, does not present any question of law or fact meriting consideration by this Court.

**Point IV**

Petitioner urges, as a reason for granting the writ of certiorari, that the Court of Claims erred in failing to hold that the Government acquired a resulting license under the revetment patent, by virtue of its implied license under the launching apparatus patent, No. 1,229,152. Petitioner states, as a basis for this contention, that it is the rule "that a license acquired under one patent carries with it an

implied or 'resulting' license under any other patent of the licensor to do what is necessary to enable the licensee to enjoy the benefits of the license under the first patent." The rule is not so broad as stated by petitioner. It is limited to the situation in which the first license has been granted, or sold, for a valuable consideration, by the patentee. That is the way in which the rule is stated in the cases cited by petitioner: *Frederick B. Stevens, Inc.* v. *Steel & Tubes, Inc.*, 114 F. (2d) 815 (C.C.A. 6); *Victory Bottle Capping Machine Co.* v. *O. & J. Machine Co.*, 280 Fed. 753 (C.C.A. 1). In the first of these cases, the court said (page 819):

> "There is ample authority for the rule that where the owner of a patent grants to a licensee the right to use a patented machine, the grant carries with it, by necessary implication, a license under any other patent of the licensor which would be infringed by operation under the grant."

Petitioner has failed to refer to the leading case on this question, the decision of the Circuit Court of Appeals for the Sixth Circuit in *Edison Electric Light Co.* v. *Peninsular Light, Power & Heat Co.*, 101 Fed. 831, in which it was said (page 836):

> "It is a general principle of law that a grant necessarily carries with it that without which the thing granted cannot be enjoyed. The limitation upon this is that the things which pass by implication only must be incident to the grant, and directly necessary to the enjoyment of the thing granted. The foundation of the maxim lies in the presumption that the grantor intended to make his grant enjoyable. This presumption has been employed in the construction of licenses granted by patentees, as well as in other branches of the law."

Respondent did not *grant* a license to petitioner under his launching apparatus patent, No. 1,229,152. The court below dismissed the petition, as to claims 6, 8 and 9 of that patent, on the ground that the apparatus covered by such claims had been used by petitioner, under an *implied* non-exclusive license, for which use the United States was not liable under the special jurisdictional act. It was held that Shearer was estopped to enforce claims 6, 8 and 9 of the launching apparatus patent against the Government. It is plain that the rule established by the case last cited, and followed in the two cases referred to by petitioner, is restricted to the situation in which there has been a *grant* of certain rights by the patentee. It is based upon the principle that "a grant necessarily carries with it that without which the thing granted cannot be enjoyed." It is based upon the presumption "that the grantor intended to make his grant enjoyable." But, here, there was no *grant* by Shearer to the United States. His licensing of the Government was involuntary. The license under patent, No. 1,229,152, is an implied license, based upon the estoppel running against Shearer. He was not a grantor to petitioner and, therefore, the principle of these cases has no application.

It is submitted that that portion of the decision of the court below (R. 86, 87), denying petitioner's claim of a resulting license under the revetment patent, is in accordance with sound principles and not contrary to any governing authority. It presents no question of law that merits consideration by this Court on writ of certiorari.

**Point V**

Petitioner urges, as a reason for granting the writ, that the court below erred in failing to allocate to the patent for the launching apparatus all of the savings to the Govern-

ment from use of that device and the invention of the revetment patent, in failing to apportion the value of the revetment as a whole between the features thereof said to be known to the prior art and the improvement of the Shearer patent thereon, and in applying the "entire value" rule in determining the value of the use of the revetment patent to the Government. All of these alleged errors relate to the determination by the court below of a question of fact, that is to say, what is reasonable and just compensation to be awarded respondent for the Government's use of his patented invention.

The Court of Claims found (FA. 12, R. 79) that the willow mat revetment previously used by the Government very extensively, was a reasonable standard of comparison by means of which the Shearer inventions might be evaluated. Using the willow mat revetment as a standard of comparison with the patented articulated concrete revetment, it was found (FA. 13, 14, R. 80) that the use of the Shearer inventions, covered by the revetment patent, No. 1,173,879, and the launching boat patent, No. 1,229,152, resulted in a saving in cost to the Government of $2.68 per square. The Court of Claims found (FA. 20, 21, R. 83) that other advantages, due to the use of these inventions as compared to the willow mat, resulted in a benefit evaluated at $0.32 per square, making a total fair and reasonable monetary value for the benefits derived by the United States from the two Shearer inventions of $3.00 per square. It found that a reasonable allocation of this sum, between the launching apparatus and the revetment patents, resulted in allocating the sum of $1.81 per square as the value of the advantages due to the revetment patent, No. 1,173,879 (FA. 21, R. 83). It then found (FA. 22, R. 83) that a fair and reasonable figure upon which to base compensation to respondent, was 20% of this monetary value of $1.81 or

$0.36 per square. Petitioner challenges this finding of fact and contends that less than 20% should have been adopted as a basis for computing the compensation. It does not suggest what the percentage should have been, and there are no findings of fact and no evidence to indicate what the Government considers a reasonable apportionment would be.

In making these findings of fact as to just and reasonable compensation, the Court of Claims did not ignore applicable decisions of this Court. On the contrary, it followed the decisions which hold that, where the patented invention is of a novel combination of elements, and the salability or utility of an article is primarily due to the combination, the patentee is entitled to recover the entire value of the advantages of this new combination, as compared with what was available in the prior art. Petitioner's argument on this point was completely met by the court below, as follows (R. 89, 90):

> "We have made this comparison not for the purpose of sustaining validity, which we have already determined, but in connection with the method used in the accounting and to which defendant objects. The defendant urges that the Shearer revetment patent was not for an articulated concrete mat *per se*, but that his invention was merely an improvement over the prior art mat such as the Hawkes mat, and that it only consisted in the improved method of attaching the launching cables to the concrete blocks. On this basis defendant urges that plaintiff has ignored the established rule of apportionment, which places upon a plaintiff in a patent accounting the burden of apportioning the value of that part of the structure covered by his invention as against that which was open to defendant to use, and that plaintiff having failed to properly apportion the value of the cables and their attachment to the launching blocks, has failed to establish a satisfactory basis for an accounting.

While we have used apportionment in the accounting as between the revetment patent and the launching apparatus patent, to which the defendant contributed, we do not think that the apportionment rule applies to the groups of elements specified in claims 3 and 6 of the Shearer revetment patent. These claims cover a novel combination of elements, even though some of them are individually old. There is here no basis for an attempt to segregate patented elements from unpatented elements. The pith of the invention is the entire cooperative combination and not some special details of construction. The Hawkes mattress was not of any value to the Government because its construction was such that it could not be laid in deep water and swift current. The combination of elements expressed in the claims of the revetment patent, to quote from our former opinion in this case, 'solved the problem' and thus enabled subaqueous articulated concrete revetments to be used.

This case therefore comes within the entire value rule in which the salability or utility of an article is primarily due to the improvement imparted to the combination. See *Hurlbut* v. *Schillinger*, 130 U. S. 456; *Crosby Valve Co.* v. *Safety Valve Co.*, 141 U. S. 441; *Piaget Novelty Co.* v. *Headley et al.*, 123 Fed. 897.

In the *Hurlbut* v. *Schillinger* case, above cited, the patent was directed to a concrete pavement laid in detached blocks or sections, so that one section could be removed without disturbing the adjacent sections. Concrete pavements were in themselves old, but the Supreme Court said, with respect to the sectionalizing of concrete pavements that——

'The invention of Schillinger was a very valuable one. The evidence is that it entirely superseded the prior practice of laying concrete pavements in a continuous, adhering mass. . . . It clearly appears that the defendant's concrete flagging derived its entire value from the use of the plaintiff's invention, and that if it had not been laid in that way it would not have been laid at all.' "

In thus rejecting the Government's contention, the court below did not decide any important question of law in a manner contrary to, or inconsistent with, sound principles or governing authorities. It applied the decisions of this Court, as they should be applied. The principle established by the cases cited by petitioner is applicable only when the patented invention is of an improvement in certain details of a larger machine. It has no application to a case in which the salability or utility of the article is primarily due to the new combination of elements covered by the patent in suit. Moreover, the amount of compensation to be awarded is a question of fact. Petitioner has failed to show that there is a lack of substantial evidence to sustain any finding of fact made by the court below as to compensation. It has failed to show that any ultimate finding or findings are not sustained by the findings of evidentiary or primary facts. It has not shown that there was a failure to make any finding of fact on a material issue. It is submitted, therefore, that there is nothing in the decision or findings of the Court of Claims, on the question of compensation, that merits consideration by this Court on writ of certiorari.

**Point VI**

Petitioner urges, as a reason for granting the writ, that the court below erred in awarding interest on the compensation found to be due respondent. The Court of Claims awarded interest at 5% on the amount of the recovery "not as interest but as part of just compensation," pursuant to the practice in eminent domain cases and in suits under the Act of June 25, 1910, as amended July 1, 1918. That it is proper to allow interest, in order to make the compensation just and entire, in a suit under the Act of June 25, 1910, as amended, was established by the decision of this Court in *Waite* v. *The United States*, 282 U. S. 508.

In so doing, the Court followed the practice in eminent domain cases. This decision was not overruled in *United States* v. *Goltra*, 312 U. S. 203. In that case, compensation was awarded, under a special jurisdictional act, for the taking possession by the Government of property owned by it but leased to the claimant. That special jurisdictional act said nothing about interest and this Court held that interest should not be allowed, under those circumstances, as part of just compensation. However, the Court distinguished from the cases of *United States* v. *Creek Nation*, 295 U. S. 103, and *Shoshone Tribe* v. *United States*, 299 U. S. 476, in both of which cases there was a special jurisdictional act. In neither case was interest expressly mentioned in the special act. In both of these cases, this Court found Congressional confirmation of a previously unauthorized act. In both of these cases, the Court held that the unauthorized and tortious taking of property by the Government had been rendered lawful subsequently, and was the exercise of the power of eminent domain, and that, therefore, interest should be allowed from the time of taking, as a part of just compensation. This Court, in the *Goltra* case, did not overrule the principle upon which interest had been awarded as part of just compensation in the *Creek Nation* and *Shoshone Tribe* cases, both of which were based on special jurisdictional acts that made no mention of interest.

The Act of June 25, 1910, as amended July 1, 1918, has been held by this Court to be an exercise of the right of eminent domain. *Crozier* v. *Krupp*, 224 U. S. 290; *Richmond Screw Anchor Co.* v. *United States*, 275 U. S. 331. Infringement of a patent by the United States is a tort, but, prior to the Act of June 25, 1910, the patentee was without remedy because the Government had not consented to be sued. The Act of June 25, 1910, which permitted suit

against the United States to recover compensation for the unlicensed use of the patented invention, was an exercise of the power of eminent domain, which rendered lawful the taking that had previously been tortious, and provided for compensation therefor. The use by the Government, without license, of the invention covered by the Shearer revetment patent, was a tort. The Act of June 25, 1910 as amended July 1, 1918, was not available to Shearer, because of the disabilities imposed by the third proviso of that Act. Therefore, it did not render the tortious taking of his invention lawful, and did not constitute an exercise of the power of eminent domain, as to such patent. However, when Congress, by the Special Act of December 17, 1930, removed the disabilities to which Shearer was subject, and permitted him to sue in the Court of Claims to recover compensation for the unlicensed use by the Government of his patented inventions, it extended the provisions of the Act of June 25, 1910, to Shearer and rendered the tortious taking of the Shearer inventions lawful, at the same time providing for the award of compensation to him for such taking. This was an exercise of the power of eminent domain, as to the Shearer patents. It is submitted that the present case falls within the principle established by this Court in the *Creek Nation* and *Shoshone Tribe* cases, and not within the exception noted by the *Goltra* case.

On this point, the Court of Claims said (R. 93):

> "In its former decision in the present case (87 C. Cls. 40) the court held that—
>
> 'The report of the Committees having under consideration the special act in this case indicates that Congress intended no more than to refer the case to this court to be adjudicated as other patent cases are under patent law.'
>
> Interest is therefore included not as interest but as part of the entire compensation in accordance with

*Harry F. Waite* v. *The United States*, 69 C. Cls. 153; 282 U. S. 508."

It is submitted that, in awarding interest as part of the just and entire compensation, the Court of Claims did not decide any important question of general law in a way contrary to sound principles or governing authorities. This phase of the case presents nothing meriting consideration by this Court on writ of certiorari.

**Point VII**

Although petitioner urges that the Court of Claims erred in not finding the Shearer revetment patent invalid for lack of invention, that is not advanced as a reason for granting the writ of certiorari and, therefore, that specification of alleged error needs no extended consideration here. The Shearer revetment patent, No. 1,173,879, expired over eleven years ago. The validity of that patent, therefore, is not a matter of public interest. There have been no conflicting decisions as to the validity of that patent. Whether the subject-matter covered by claims 3 and 6 of that patent was new and useful, and an invention, are questions of fact. These facts were found by the court below in favor of respondent (F. 40, 41, R. 47). Petitioner does not contend that such findings are without support in the evidence, and there seems to be no reason for this Court to review these findings of fact.

**CONCLUSION**

Respondent respectfully submits that this petition for writ of certiorari should be denied, for the reasons set forth above.

Respectfully submitted,
CLARENCE B. DES JARDINS,
*Counsel for Respondent.*

Cincinnati, Ohio,
November 4, 1944.

No. 532. UNITED STATES *v.* SHEARER. On petition for writ of certiorari to the Court of Claims. November 20, 1944. *Per Curiam:* The appeal is dismissed for want of jurisdiction. Act of December 17, 1930; *Colgate* v. *United States,* 280 U. S. 43; *Assiniboine Indian Tribe* v. *United States,* 292 U. S. 606. Cf. *United States* v. *Goltra,* 312 U. S. 203, 204, n. 1. The petition for writ of certiorari is denied for the reason that application therefor was not made within the time provided by law. Act of December 17, 1930. *Solicitor General Fahy* for the United States. *Mr. Clarence B. Des Jardins* for Shearer. Reported below: 101 Ct. Cls. 196.